formulation prices of leader packs were based on landed cost of Rs. 4350 per kg;

(b) if so, the reasons therefor and whether it resulted in consumer being overcharged by Rs. 6 crores per year; and

(c) whether any investigation has been held in the matter and if so, what are the findings in this hegard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO); (a) and (b) No, Sir. The extract weight average c.i.f. price, as per BICP records, for the year 1991-92 was Rs. 1616.34 per kg and the landed cost worked out, after due inclusion of change in exchange rate and prevailing rates of custom and countervailing dudes, as Rs. 4364.21 per kg was taken on the basis for arriving at the prices of all leader pack formulation, except in the case of paediatric syrup. In the case of paediatric syrup, landed price on the basis of actual invoice from specific source was allowed on availability and quality considerations since there is only one manufacturer in the country and the medicine in this form is required by small children suffering from seizures. There are no reports of over-charging the consumer over and above the prices fixed by the Government.

(c) Does not arise.

Production and Price of Ampicillin, Cephalexin and Cloxacillin

1352. SHRIMATI SATYA BAHIN:
SHRI H. HANUMANTHAPPA:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that producers of Ampicillin, Cephalexin and Cloxacillin have failed to provide cost data to the BICP for cost study for the last six years;

(b) whether it is a fact that they have violated all Government directions and have been making high profits by charging high prices;

(c) if so, what is the present position and what action is proposed to be taken by Government to discipline them; and

(d) whether it is a fact that there is a nexus between the producers and bureaucrats?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO); (a) No, Sir. The BICP conducted cost-cum-technical study in respect of bulk drug Cephalaxin and Cloxacillin and submitted its report in February, 1989 and August, 1990 respectively. In respect of bulk drug Ampi-ciKin BICP has not yet completed the cost-cum-technical study. The prices of bulk drugs Cephalexin and Cloxacillin have been revised from time to time on the basis of BICP cost-cum-technical study report/escalation formula provided by BICP in its report. The price of bulk drugs Ampicillin has been revised from time to time on the basis of analysis of consumption norms of raw materials and utilities and other cost data. The price of this bulk drug has been revised downwards from Rs. 3098/Kg to Rs. 2885/kg w.e.f. 22.6.93.

(b) No, Sir.

(c) Does not arise.

(d)No, Sir.

Custom duty reduction on drugs

1353. SHRI H. HANUMANTHAPPA: Will the PRIME MINISTER be pleased to state;

(a) whether it is a fact that Government have taken the stand that benefit of drug price reduction due to custom duty need not necessarily be passed on to the consumer;

(b) if so, the reasons therefor;

(c) whether it is a fact that duty concession on bulk drugs and intermediates have been granted to siphon off foreign exchange from the country;

(d) whether it is also a fact that these concessions are granted on the requests of individuals and association; and

(e) whether any working group to study the wastage of foreign exchange and increase in prices of medicines which are allowed duty concessions is proposed to be set-up?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) Does not arise.

"(c) to (e) No, Sir. Rationalisation of Customs Duty on bulk drugs/intermediates and formulations is done from time to time to ensure easy availability of quality drugs and formulations at reasonable prices in the market and encouragement to the indigenous industry. Requests/representations for reduction! increase of import duty are received from manufacturers and/or Industry Associations. These are examined and, if found justified, modifications in the import duties are recommended to the Ministry of Finance.

Decontrol of molasses

1354. SHRI MURLIDHAR CHAND-RAKANT BHANDARE: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Government have lifted control of price and and distribution of molasses;

(b) if so, reasons behind the step and how it would benefit sugar industry;

(c) what have been the reaction of major sugarcane producing States; and

(d) how the Government propose to ensure fair implementation of molasses policy?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) The Molasses Control Order, 1961 under which the prices and distribution of molasses were regulated has been rescinded on 10th June, 1993. with a view to removing control on prices and mevement of molasses. This os to provide a better opportunity for all sectors dependent on molasses to function optimally.

(c) All States including the major sugar producing States are adjusting to the policy of decontrol over prices and iiiuvemeni of molasses.

(d) The objective of removing the contro. on prices and movement of molasses is to ensure that the commodity is freely available at market prices.

Non-operation of flights from Delhi to Dibnigarh

1355. SHRI BHADRESHWAR GO-HAIN; Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether Government are aware that the industrial establishment in upper Assam has been badly affected because of non-operation of flights t<> Dibrugarh from Delhi;

(b) whether Government propose to restart operation of flights to Dibrugarh; and

(c) if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b) No, Sir.

(c) It is not possible to reintroduce services between Delhi and Dibrugarb at present because of crew constraints. However convenient connections have been provided to Dibrugarh via Calcutta for passengers desirous of travelling between Delhi and Dibrugarh.

Promotion of tourism in rural areas

1356. SHRI SHANTI TYAGI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) -whether the Tourism Action plan launched by Government proposes to draw certain rural areas in it fold to